

# *PUBLIC SAFETY*

## **0550 Secretary for Youth and Adult Correctional Agency**

The Youth and Adult Correctional Agency (YACA) is responsible for general oversight of the Department of Corrections (CDC), the Department of the Youth Authority, the Board of Prison Terms, the Board of Corrections, the Narcotic Evaluation Authority, and the Commission on Correctional Peace Officers' Standards and Training.

The budget proposes \$2.8 million from the General Fund and 20.8 positions for the agency. This amount is a decrease of \$28,000, or 1 percent, from estimated current-year expenditures. The budget includes an unallocated reduction of \$43,000 for YACA.

<b>Summary of Expenditures</b>				
(dollars in thousands)	2004-05	2005-06	\$ Change	% Change
General Fund	\$2,801	\$2,773	-\$28	-1.0
Reimbursements	0	0	0	0.0
Total	\$2,801	\$2,773	-\$28	-1.0

### ***Selected Issue***

**Restructure and Reform of Youth and Adult Correctional Agency (YACA).** As part of a proposed reorganization for the YACA, the Governor submitted a reorganization plan to the Little Hoover Commission. The plan consolidates the agencies within YACA to create a new Department of Corrections and Rehabilitation. Within the new department, the Office of the Secretary would report directly to the Governor and fulfill all the current Agency Secretary roles as well as advise and assist in the implementation of major policy and program matters.

The departments and agencies within the YACA would be reorganized within the new department. The Board of Prison Terms, the Narcotic Addict Authority Board, and the Youth Authority Board would be eliminated and their existing procedures and functions would be transferred to the Board of Parole Hearings. The Board of Corrections and the Commission on Correctional Peace Officer Standards would be eliminated and a new Corrections Standards Authority would assume their functions. The Youth Authority and the CDC would be reorganized within the new department to create six divisions: the Division of Youth Operations; the Division of Adult Operations; the Division of Parole Operations; the Division of Community Partnerships, the Division of Education, Vocations, and Offender Programs; and the Division of Correctional Health Care Services. In addition, the plan calls for changes to the appointment process for certain positions. For example, under the plan, prison wardens would no longer be confirmed by the Senate.

The budget proposal does not assume any of the elements from the reorganization at this time. While the plan indicates that eliminating duplication and leveraging scale could amount in significant savings in operational costs, the reorganization plan itself does not provide any fiscal details, nor does it identify any anticipated savings from reorganizing the various entities. In fact, the implementation of the plan may eventually require additional resources.

## 0690 Office of Emergency Services

The primary purpose of the Office of Emergency Services (OES) is the coordination of emergency activities to save lives and reduce property losses during disasters and to expedite recovery from the effects of disasters.

The budget proposes total expenditures of \$1.1 billion, a reduction of \$39 million or 3.5 percent from estimated current year expenditures. Of the total funding, \$140.4 million is from General Fund, \$30.3 million is from various special funds and reimbursements, and \$947 million is from federal funds.

### Summary of Program Requirements

(dollars in thousands)	2004-05	2005-06	\$ Change	% Change
Mutual Aid Response	\$ 16,255	\$ 16,499	\$ 244	1.5
Plans and Preparedness	245,923	246,306	383	0.2
Disaster Assistance	637,587	600,658	-36,929	-5.8
Criminal Justice Projects	207,840	204,127	-3,713	-1.8
California Anti-Terrorism Information Center	6,700	6,700	0	0.0
Administration and Executive	6,372	6,383		
Distributed Administration	-5,477	-5,477	0	0.0
Office of Homeland Security	2,987	3,957	970	32.5
Unallocated Reduction	-354	-614	-260	0.0
State-Mandated Local Programs	2	255	253	N/A
<b>Total</b>	<b>\$1,117,835</b>	<b>\$1,078,794</b>	<b>-\$39,041</b>	<b>-3.5%</b>

### Summary of Fund Sources

(dollars in thousands)	2004-05	2005-06	\$ Change	% Change
<b>State Operations</b>				
General Fund	\$38,983	\$39,428	\$445	1.1
Federal Funds	31,031	32,112	1,081	3.5
Reimbursements	2,133	2,671	538	25.2
Other Funds	<u>3,106</u>	<u>3,046</u>	<u>-60</u>	<u>-1.9</u>
<b>Subtotal, State Operations</b>	<b>\$75,253</b>	<b>\$77,257</b>	<b>2,004</b>	<b>2.7</b>
<b>Local Assistance</b>			0	0.0
General Fund	\$101,462	\$60,707	-40,755	-40.2
Federal Funds	915,969	915,709	-260	0.0
Other Funds	<u>25,151</u>	<u>25,121</u>	<u>-30</u>	<u>-0.1</u>
<b>Subtotal, Local Assistance</b>	<b>\$1,042,582</b>	<b>\$1,001,537</b>	<b>-41,045</b>	<b>-3.9</b>
<b>Total</b>	<b>\$1,117,835</b>	<b>\$1,078,794</b>	<b>-\$39,041</b>	<b>-3.5%</b>

## ***Highlights***

### **Budget-Year Adjustments**

- Proposes an additional \$1.8 million (\$1.7 million federal funds; and \$100,000 Antiterrorism Fund) and 19 limited-term positions to manage federal homeland security grants for the California Office of Homeland Security.
- Proposes a reduction of \$4 million General Fund to certain public safety local assistance programs. The proposal eliminates the following programs: Community Crime Resistance Program (\$231,000); Career Criminal Apprehension Program (\$866,000); Serious Habitual Offender Program (\$137,000); Vertical Defense of Indigents Program (\$172,000); and Drug Abuse Suppression in Schools Program (\$690,000). In addition, the Rural Crime Prevention Program would be reduced by \$1.9 million from the current funding level of \$3.3 million.
- Dedicates \$300,000 from the Gang Violence Suppression grants to the CALGANG Project. The funds would be used to maintain the CALGANG Database system, which is an automated gang intelligence database.

### ***Selected Issues***

**Homeland Security Grants.** The federal Department of Homeland Security is responsible for allocating federal homeland security grants to state and local emergency prevention, preparedness, and response personnel. The funding generally flows to California through the state's Office of Homeland Security (OHS), which is within the OES. Total funding for Homeland Security grants to California for federal fiscal year 2003 was \$339.9 million and \$364.7 million for federal fiscal year 2004. On October 2004, the Department of Homeland Security Appropriations Act of 2005 was signed, appropriating approximately \$2.5 billion for homeland security grants. At this time, it is estimated that California will be eligible for \$282 million for federal fiscal year 2005. Because the state is currently in the process of applying for these grants, which are available for expenditure over three years, the funding is not included in the January budget. The Department of Finance anticipates submitting a Finance Letter in the spring once the grant awards have been made.

**Law Enforcement and Victims' Services programs administered by OES.** For the purpose of achieving efficiencies in the administration and implementation of criminal justice programs, the Office of Criminal Justice Planning (OCJP) was abolished effective January 1, 2004. Pursuant to an interim plan, the law enforcement and victims' services programs previously administered by OCJP are being administered by OES. In order to consolidate and restructure the administration of criminal justice programs, Control Section 25.00 of the Budget Act of 2003 required a Governor's Restructuring Plan (GRP) to be submitted by March 1, 2004. No such plan has been submitted. The Administration is continuing to work on a consolidation plan for the victim services programs within a number of departments, but no such plan is included as part of the budget.

## 5240 Department of Corrections

The Department of Corrections (CDC) is responsible for the control, care, and treatment of men and women who have been convicted of serious crimes and entrusted to the department's Institution and Community Correctional programs. In addition, the CDC maintains a Health Care Services Program to address inmate health care needs and a civil narcotics treatment program for offenders with narcotic addictions.

The budget proposes \$6.5 billion for the CDC, which is an increase of \$247.5 million, or 4 percent, from the revised current year budget. General Fund expenditures are proposed to increase by \$250 million to a total of \$6.4 billion, or 4.1 percent above current-year expenditures. The total number of positions at the CDC would increase by 1,575 positions to 51,848 positions.

### Summary of Program Requirements

(dollars in thousands)	2004-05	2005-06	\$ Change	% Change
Institution Program	\$4,509,057	\$4,670,003	160,946	3.6%
Health Care Services Program	1,004,378	1,095,668	91,290	9.1%
Inmate Education Program	175,372	181,018	5,646	3.2%
Community Correctional Program	600,691	656,629	55,938	9.3%
Administration	147,276	162,657	15,381	10.4%
Distributed Administration	-147,276	-162,657	-15,381	10.4%
Unallocated Reduction	-28,946	-95,294	-66,348	229.2%
State Mandated Local Programs	1	0	-1	-100.0%
<b>Total</b>	<b>\$6,260,553</b>	<b>\$6,508,024</b>	<b>247,471</b>	<b>4.0%</b>

### Highlights

**Fall 2004 Population Estimates.** The CDC performs population projections biannually, in the spring and in the fall. The population projections use a complex statistical model to estimate the population based on a number of variables, including the breakdown between males and females and between different custody levels. Generally the fall population projections are completed by October, however as of mid-January, the final Fall 2004 population projections have not been completed or released. On June 30, 2004 the actual population in CDC was 163,500. This amount was 3,378 higher than anticipated in the Spring 2004 forecast. The difference was due primarily to more new admissions and more parole violators returned to custody than originally expected; this increase was partially offset by more releases to parole than expected. The draft Fall 2004 population projections estimate that the June 30, 2005 inmate population will be 164,048. This amount is 6,830 inmates higher than projected in Spring 2004, primarily due to a significant increase in the number of new admissions from court and the number of parole violators with new terms. The draft projections estimate that the population will increase by 1,784 inmates to 165,832 on June 30, 2006. For the next five years, the draft population projections grow steadily with the institution population expected to increase to 171,137 by June 30, 2010.

**Population Assumptions in the Budget.** The current inmate population is significantly higher than was previously funded in the 2004 Budget Act. The current inmate population is approximately 163,000, while the 2004 Budget Act provides funding for an assumed average daily population of only 157,259. The revised proposal for the current year (2004-05) now assumes that the average daily population (ADP) will be 163,019 – an increase of 5,760 ADP over the funded amount. The CDC estimates that for the current year, it will require an additional \$207.5 million General Fund to support this increase. The CDC indicates that the increase in population is due to an increase in the number of new admissions from court and parole violators with new terms, as well as delays in implementing the parole reforms enacted by the 2003 and 2004 Budget Acts.

For the budget year, the Governor's proposal assumes that CDC's average daily population will decrease from 163,019 in 2004-05 to 162,755 in 2005-06, a reduction of 264 inmates, or 0.2 percent. The CDC indicates that the projected reduction in the inmate population is due to the anticipated impact of the parole reforms from the 2003 and 2004 Budget Acts. Despite this projected decrease, the budget is proposed to increase by \$280.2 million from amount originally appropriated in the 2004 Budget Act.

### **Major Budget Adjustments**

- An unallocated reduction of \$95.3 million from Inmate and Parole Programs.
- An increase of \$45 million, which represents a price increase of 2.6 percent on all operating expenses and equipment expenditures.
- An increase of \$271.5 million General Fund for previously negotiated compensation increases for CDC employees.
- An increase of \$35 million General Fund to eliminate salary savings for certain posted positions. Last year, the Legislature approved funding to eliminate salary savings for posted correctional officer positions. This proposal eliminates the salary savings requirement for posted sergeant, lieutenant, and supervising correctional cook positions. The proposal also reduces the salary savings requirement for Medical Technical Assistants (MTAs), registered nurses, psych tech, and certain facility operations, case records, and education positions.
- An increase of \$9.8 million and 146 positions to increase the budgeted relief for noncustody positions such as MTAs and nurses.
- An increase of \$30.1 million and 109 positions to improve inmate medical services. The proposal includes funding for physician assessments and enhanced training for doctors.

### **Selected Issues**

**Unallocated Reduction to Inmate and Parole Programs.** The Governor proposes an unallocated reduction of \$95.3 million from CDC's Inmate and Parolee Programs. No specific proposal for reductions has been submitted at this time, but reductions to Inmate and Parolee Programs could potentially include cuts to substance abuse treatment programs, inmate or parolee employment programs, academic education programs, and vocational education programs. The Administration indicates that this reduction may be replaced with savings generated through revisions to the labor agreement with Bargaining Unit 6 that expires at the end

of fiscal year 2005-06. To the extent that the reduction in inmate and parolee programs has an impact on the ability to place inmates in work or education programs, or to reduced recidivism, there will be increased costs to CDC as a result of the reduction.

**Oversight on the Implementation of Adopted Parole Reforms.** The Legislature has approved a series of prison and parole reforms in the last two years. The actual savings from proposals adopted in the budget from the last two years are significantly less than originally estimated. The 2003 Budget Act estimated savings of \$191 million in 2003-04 and over \$225 million in 2004-05 from these reforms; the Administration estimated that the reforms it proposed as part of the 2004 Budget Act would provide additional savings of \$85.4 million in the 2004-05 year and \$60.6 million in 2005-06. During that time, the budget for the CDC has grown by \$1.2 billion, from \$5.3 billion in 2002-03 to a proposed \$6.5 billion for 2005-06. The Legislature will want to review the steps CDC has taken to implement new programs and the causes for delaying reforms and achieving savings. The reforms adopted in the last two years are highlighted below.

*Legislative Prison Reforms in the 2003 Budget Act.* The Legislature approved several prison reform proposals in the 2003 Budget Act that estimated savings of \$191 million in 2003-04 and over \$225 million in 2004-05 from these changes. None of these reforms required any statutory changes. The actual savings from these proposals has been considerably less than budgeted, due to implementation delays, revised cost estimates, and overlapping savings. These legislative reforms included the following:

- *Restructuring Educational Training Programs.* Many inmates eligible to receive day-for-day credits were unable to participate because there were not enough programs available. The Legislature provided funding to avoid eliminating existing educational program staff, and restructured the programs in order to make them available in reception centers.
- *Use of Intermediate Sanctions for Parole Violators.* Approximately 32,000 low-level parolees (no underlying violent or serious commitment offense and no violent or serious priors) annually violate their parole and spend an average of 153 days in custody. Reforms expanded the use of intermediate sanctions such as Substance Abuse Treatment Control Units (SACTU), and community detention alternatives such as half-way back homes and electronic monitoring for low level parolees who commit parole violations of a technical nature.
- *Expansion of the Mentally Ill Parolees Program.* Provides additional pre-release planning and enhanced community treatment service for mentally ill parolees.
- *Creation of a Drug Treatment Furlough Program.* Eligible inmates would receive treatment in a secure, supervised, community residential program for the final 120 days of their sentence.

*Parole Accountability Reforms in the 2004-05 Budget.* As part of the 2004-05 May Revise, the Governor proposed expansion of the legislative reforms from the previous budget. The Administration estimated that the reforms would provide savings of \$85.4 million in the current year and \$60.6 million in 2005-06. Due to implementation delays, savings at CDC in the current year will be significantly less than assumed in the budget. These major reforms include the following:

- *Increased Access to Intermediate Sanctions.* The proposal allows parolees access to intermediate sanctions such as SACTUs, Half-Way Back Homes, and electronic monitoring more than once, and allows all technical and minor violators of parole access to graduated sanctions.
- *Expands the Restitution Work Furlough Program.* This expansion increases the number of available slots from 110 beds to 500 beds statewide.
- *Expands the Substance Abuse Treatment and Recovery (STAR) program.* This program is an instructional-based treatment program designed to teach parolees how to address and prevent substance abuse. This expands the program to an additional 25 sites, for a total of 53 sites statewide.
- *Discharge from Parole Consistent with Current Law.* This proposal reviews and amends Board of Prison Terms regulations to ensure that parolees are discharged according to the times specified in statute. The proposal indicates that significant savings would be achieved if parolees with 12 consecutive months of “clean time” are discharged, estimating savings of \$59.5 million.

**Incarceration of Undocumented Felons.** The Governor assumes that the state will receive \$78.5 million in federal State Criminal Alien Assistance Program (SCAAP) funding. The Administration indicates that this amount represents only 10.8 percent of the estimated \$729.7 million that CDC and CYA expect to spend in 2005-06 on the incarceration of foreign nationals.

**Fiscal Accountability and Management of Resources at CDC.** Of particular interest will be ensuring that CDC is effectively and efficiently managing the resources it is provided. Between 1998-99 and 2002-03, CDC annually received nonpopulation-related deficiency funding of between \$60 million and \$249 million. Last year the Legislature made efforts to respond to these deficiencies by eliminating unauthorized positions, creating a separate line item for education, requiring additional institution-by-institution reporting, and making CDC and DOF responsible for ensuring that positions in the post assignment schedule actually match budgeted positions. The Legislature may wish to review the implementation of these changes and their impact on fiscal accountability at the CDC.

## 5430 Board of Corrections

The Board of Corrections (BOC) works in partnership with city and county officials to develop and maintain standards for the construction and operation of local jails and juvenile detention facilities and the employment and training of local corrections and probation personnel. The BOC also disburses training funds and administers the federal Violent Offender Incarceration/Truth-in-Sentencing (VOI/TIS) Grant, the Juvenile Hall/Camp Restoration program, and the Mentally Ill Offender Crime Reduction Grant program. The BOC allocates these funds to public, private, or private/nonprofit participants in the local corrections community. The BOC is composed of 13 members -- 10 appointed by the Governor and confirmed by the Senate. The appointments represent specific elements of local juvenile and adult criminal justice systems and the public. Statutory members are the Secretary of the Youth

and Adult Correctional Agency, who serves as Chair, and the Directors of the Departments of Corrections and Youth Authority.

The budget proposes \$73.1 million for the BOC, a decrease of \$109.2 million, or 59.9 percent below estimated current-year expenditures. This decrease is due primarily to the proposed shift of funding for county youth probation programs from the General Fund to the federal Temporary Assistance for Needy Families (TANF) funds within the Department of Social Services. In the current year, the budget provides \$134 million from the General Fund for this program.

#### Summary of Program Requirements

(dollars in thousands)	2004-2005	2005-2006	\$ Change	% Change
Corrections Planning & Programs	\$141,526	\$30,586	-110,940	-78.4%
Facilities Standards & Operations	1,854	1,444	-410	-22.1%
Standards & Training for				
Corrections	2,751	2,748	-3	-0.1%
Administration	352	352	0	0.0%
Distributed Administration	-352	-352	0	0.0%
Juvenile Justice Grants Program	36,185	36,484	299	0.8%
Unallocated Reduction	0	-42	-42	
State Mandated Local Programs	1	1,859	1,858	N/A
Total	\$182,317	\$73,079	-\$109,238	-59.9%

#### Selected Issues

**Funding for County Youth Probation Programs.** The proposed budget shifts funding for county youth probation programs from the General Fund to federal TANF funds. In the current year, this program had been shifted from TANF funds to the General Fund. Specifically, \$134 million in General Fund was provided in the current year in the BOC budget to continue this program, with partial-year funding of \$67.1 million provided in federal TANF dollars through the Department of Social Services. Under the 2005-06 budget proposal, \$201.4 million for county youth probation programs would be funded through federal TANF funds. Funding this program through TANF will impact other programs, such as CalWORKs, that are also funded through TANF funds.

**Juvenile Justice Crime Prevention Act Funds.** The budget proposes de-linking the Juvenile Justice Crime Prevention Act (JJCPA) and the COPS programs and reducing funding for the JJCPA program by \$75 million. The remaining \$25 million would be shifted to the BOC for distribution to local governments. Since the creation of the JJCPA program, its funding has been linked with that of the COPS program. The funding for the COPS program is proposed to continue at \$100 million. A statutory change de-linking the funding for the programs would be needed to enact this proposal.

This proposal would eliminate a program that has shown effectiveness in reducing juvenile crime and delinquency. The JJCPA program requires the BOC to submit an annual report to the Legislature on the: 1) overall effectiveness of the statutorily required local planning process; 2) program expenditures; and 3) results on six juvenile justice outcomes. The results for the statutorily mandated outcomes indicate that the JJCPA programs, as a whole, are making a significant difference in curbing juvenile crime and delinquency. For example, the analysis of outcomes for juveniles receiving program services compared to juveniles in a county-designated



reference group shows lower arrest and incarceration rates, and higher rates for completing restitution payments and performing court ordered community service for juveniles served by the program. In addition, results on commonly used local outcomes, including increased school attendance, improved academic performance, and decreased drug usage, also underscore the effectiveness of the JJCPA programs.

## 5440 Board of Prison Terms

Chapter 1139, Statutes of 1976 (SB 42), established the Community Release Board in 1977. The board was renamed the Board of Prison Terms (BPT) effective January 1, 1980 with the enactment of Chapter 255, Statutes of 1979 (SB 281). The BPT considers parole release and establishes the length and condition of parole for all persons sentenced to prison under the Indeterminate Sentence Law, persons sentenced to prison for a term of less than life under Penal Code section 1168 (b), and persons serving a sentence of life with possibility of parole. The BPT has nine commissioners appointed by the Governor and confirmed by the Senate. Each commissioner serves a four-year term. The Governor designates the chairperson of the BPT and deputy commissioners are employed by the BPT in civil service positions. Their duties include hearing and deciding cases.

The budget proposes \$72.8 million for the BPT, an increase of \$1.8 million or 2.6 percent above estimated current-year expenditures.

### Summary of Expenditures

(dollars in thousands)	2004-2005	2005-2006	\$ Change	% Change
General Fund	\$70,926	\$72,771	\$1,845	2.6%
Reimbursements	81	81	\$0	0.0%
Total	\$71,007	\$72,852	\$1,845	2.6%

### Selected Issue

**Implementation of the Valdivia Remedial Plan.** As part of the budget for the current year, the Legislature approved 134 new positions and \$35.4 million for the BPT to implement the Valdivia Remedial Plan in compliance with a federal judge's court order to reform the state's parole revocation process. The budget proposes an additional \$7 million and 61 positions as a caseload adjustment to continue implementation of the remedial plan.

The remedial plan makes several significant changes to the process including the implementation of a probable cause hearing for all revoked parolees within ten business days, the provision of attorneys, the holding of revocation hearings within 35 days, and the centralization of most parole hearings at reception centers and contracted facilities. The Legislature may wish to follow-up with BPT on its implementation of the remedial plan, as well as reviewing the plan's impact on revocations and the revocation process.

**Lifer Hearing Backlog.** Certain offenders in California prisons, particularly those punished for murder, are serving so-called indeterminate sentences in which the period of time to be served in prison before release to parole is not fixed in advance by the court. These indeterminately sentenced offenders are often called "lifers" even though most are eventually legally eligible for release. The BPT is the state agency primarily responsible under state law for deciding when those lifers who have served the minimum required prison time, and thus are now eligible for parole, will actually be released to the community. The BPT indicates that there is currently a backlog of 1,388 life term cases awaiting hearings. The Legislature may wish to review the reasons for the growing backlog and BPT's plan for reducing the backlog.

## 5460 Department of the Youth Authority

The goals of the Youth Authority (CYA) are to provide public safety through the operation of secure institutions, rehabilitate offenders, encourage restorative justice, transition offenders back to the community, and support local government and intervention programs.

The budget proposes expenditures of \$400.2 million for the CYA, a decrease of \$8.1 million, or 1.9 percent from anticipated current-year expenditures. The primary reason for this reduction is the projected decrease in the CYA's ward and parole populations.

In the current year, the ward population is projected to decrease by 465 wards or 11.9 percent from the amount projected in the 2004 Budget Act to 3,430 wards by June 30, 2005. For 2005-06, the budget proposal projects the ward population to decrease by another 100 wards, or 2.9 percent resulting in a projected June 30, 2006 population of 3,330. The parole population is projected to decrease by 340 cases in the budget year to 3,450 by June 30, 2006.

### Summary of Program Requirements

(dollars in thousands)	2003-2004	2004-2005	\$ Change	% Change
Institutions & Camps	\$315,120	\$310,525	-\$4,595	-1.5%
Parole Services & Community				
Corrections	43,845	41,209	-2,636	-6.0%
Education Services	46,595	44,522	-2,073	-4.4%
Youth Authority Board	3,231	3,251	20	0.6%
Administration	31,711	31,040	-671	-2.1%
Distributed Administration	-31,063	-30,347	716	-2.3%
Unallocated Reduction	-1,105	0	1,105	-100.0%
Total	\$408,334	\$400,200	-\$8,134	-1.9%

### Major Budget Adjustments

- For the budget year, the population adjustment includes an additional \$186,000 General Fund, a decrease of \$11.7 million in reimbursements, and a reduction of 140.5 positions due to the projected decrease in the ward and parolee populations.
- The proposal includes \$2.1 million General Fund for a price increase, representing a 2.6 percent increase for operating expenses and equipment in the CYA budget.

### **Selected Issues**

**Conditions of Confinement and Treatment at CYA.** The CYA and YACA have been working on remedial plans related to expert findings that documented serious deficiencies in the following areas: the level of violence at CYA institutions; the adequacy of mental health care; substance abuse and other treatment programs; health care services; education; and preventing gang violence. The remedial plans are due to be submitted to the federal court by the end of January. The Governor's budget does not contain any proposals related to the settlement of the conditions-of-confinement lawsuit at the CYA. The Administration indicates that details of the remedial plans and any associated funding needs will be provided as part of the May Revise.

**Structural Reform of CYA.** The problems confronting the CYA will likely not be solved by focusing solely on the deficiencies identified in the expert reports. Fundamental, structural reforms may need to be considered to address the underlying causes that have led to the current conditions at the CYA. Any such reforms should also be considered in the context of whether existing resources within CYA are being used efficiently and effectively.

**Juvenile Justice Reform.** The Administration indicates that it is working with local government and other stakeholders in the juvenile justice system to develop a comprehensive plan to reform California's juvenile justice system and to redefine the role of the CYA, but no specific plan is included with the budget. Potential policy changes that are being evaluated include shifting responsibility for supervising youthful offenders on parole from CYA to the counties; limiting the types of offenders that can be sent to CYA; and establishing a new direction for the CYA that focuses on the most serious offenders and those in need of mental health and sex offender treatment.

## **8120 Commission on Peace Officer Standards and Training**

The Commission on Peace Officer Standards and Training (POST) is responsible for raising the competence level of law enforcement officers in California by establishing minimum selection and training standards, and improving management practices. The proposed budget for POST is \$60.8 million, an increase of \$6.1 million, or 11.1 percent from estimated current year expenditures. The budget proposes transfer of \$14 million from the Driver Training Penalty Assessment Fund to the Peace Officers' Training Fund, pursuant to Control Section 24.10. The General Fund portion of the budget is proposed to increase by \$4.5 million due to funding for a state mandated local program related to domestic violence standards and policies. Funding for this mandate had been previously deferred.

### **Summary of Expenditures**

(dollars in thousands)	2004-2005	2005-2006	\$ Change	% Change
General Fund	\$1	\$4,509	\$4,508	N/A
Peace Officers' Training Fund	53,471	55,016	\$1,545	2.9%
Reimbursements	1,259	1,259	\$0	0.0%
<b>Total</b>	<b>\$54,731</b>	<b>\$60,784</b>	<b>\$6,053</b>	<b>11.1%</b>

## 1870 California Victim Compensation and Government Claims Board

The California Victim Compensation and Government Claims Board, formerly known as the Board of Control, consists of three members, the Director of General Services who serves as the chair, the State Controller, and a public member appointed by the Governor. The primary functions of the Board of Control are to: (1) compensate victims of violent crime and eligible family members for certain crime-related financial losses; (2) consider and settle all civil claims against the state; (3) provide equitable travel allowances to certain government officials; (4) respond to bid protests against the state alleging improper or unfair acts in the procurement of supplies and equipment; and (5) provide reimbursement of counties' expenditures for special elections.

**Budget Request.** The budget proposes \$141.3 million, which is an increase of \$4.1 million, or 3.2 percent, from anticipated current-year expenditures. Of the total proposed expenditures, \$124.1 million is proposed for the Citizens Indemnification Program, which indemnifies those citizens who are injured and suffer financial hardship as a direct result of a violent crime.

The Claims Board is primarily funded from the Restitution Fund, with total expenditures of \$101.4 million proposed from the Restitution Fund, and \$31 million from federal funds.

### Summary of Expenditures

(dollars in thousands)	2004-2005	2005-2006	\$ Change	%Change
General Fund	\$0	\$0	\$0	N/A
Restitution Fund	88,942	101,376	\$12,434	14.0%
Federal Trust Fund	39,374	31,016	-\$8,358	-21.2%
Reimbursements	862	895	\$33	3.8%
<b>Total</b>	<b>\$129,178</b>	<b>\$133,287</b>	<b>\$4,109</b>	<b>3.2%</b>